

1 WALLACE WU (SBN 220110)  
Wallace.Wu@arnoldporter.com  
2 OSCAR RAMALLO (SBN 241487)  
Oscar.Ramallo@arnoldporter.com  
3 STEPHANIE KANG (SBN 306162)  
Stephanie.Kang@arnoldporter.com  
4 SKYLAR WILLIAMS (SBN 341028)  
Skylar.Williams@arnoldporter.com  
5 ARNOLD & PORTER KAYE  
SCHOLER LLP  
6 777 South Figueroa Street, 44<sup>th</sup> Floor  
Los Angeles, CA 90017-5844  
7 Telephone: (213) 243-4000  
Facsimile: (213) 243-4199

8 *Attorneys for Plaintiff and Counter-*  
9 *Defendant ARTURO SANTOS*  
10 *GARCIA*

11 *(Additional attorneys listed in*  
12 *signature block)*

13 UNITED STATES DISTRICT COURT  
14 CENTRAL DISTRICT OF CALIFORNIA  
15

16 ARTURO SANTOS GARCIA,

17 Plaintiff,

18 v.

19 ROBERTO VARGAS HERNANDEZ,

20 Defendant.  
21  
22  
23  
24  
25  
26  
27  
28

Case No. 8:23-cv-946-CJC

Judge Cormac J. Carney

**JOINT RULE 26(F) REPORT**

1 Pursuant to Federal Rule of Civil Procedure Rule 26(f), and C.D. Cal. R. 26-1,  
2 Plaintiff Arturo Santos Garcia (“Plaintiff”) and Defendant Roberto Vargas  
3 Hernandez (“Defendant”), by their undersigned counsel, hereby submit this Joint  
4 Rule 26(f) Report.

5 **A. Statement Of The Case**

6 Plaintiff’s Statement

7 Plaintiff Arturo Santos Garcia is a labor trafficking victim of Defendant  
8 Hernandez, who induced Mr. Santos to leave his home in Mexico to work and live  
9 on Defendant’s ranch in Lake Elsinore with false descriptions of the work and an  
10 offer to arrange Mr. Santos’s transportation to the United States. When Mr. Santos  
11 arrived at the ranch, he was told he owed a debt for the travel expenses and could  
12 not leave until he paid it off. Defendant forced Mr. Santos to work seven days a  
13 week, an average of sixteen hours a day, taking care of hundreds of roosters to  
14 support Defendant’s illegal cockfighting operation. He was paid almost nothing and  
15 provided only one meal a day. Defendant told him he could not leave unless he paid  
16 off the debt all at once, and that Defendant would report him to law enforcement  
17 and have him deported if he left. Mr. Santos brings claims for relief from violations  
18 of U.S. and California human trafficking laws, labor laws, and various related  
19 common law torts.

20 Defendant brought counterclaims alleging that Mr. Santos stole Defendant’s  
21 tools, ruined Defendant’s golf carts and an ATV, and negligently maintained the  
22 trailer he lived in. Defendant also alleges that Mr. Santos defamed him, tortiously  
23 inflicted emotional distress, and tortiously interfered with prospective economic  
24 advantage by filing this lawsuit and accusing Defendant of unethical conduct. Mr.  
25 Santos intends to move to dismiss Defendant’s counterclaims.

26 Defendant’s Statement

27 Defendant is a well-respected member of the Orange County community and a  
28 prominent businessman. Defendant graciously took in Plaintiff when Plaintiff

1 arrived to this country because Defendant, and immigrant himself, empathized with  
2 Plaintiff and because Plaintiff was a friend of Defendant's long time and trusted  
3 family friend in Mexico.

4 Defendant denies the allegations in Plaintiff's First Amended Complaint,  
5 denies any and all liability, and denies that Plaintiff has been harmed in any way, or  
6 suffered any damages or loss of compensation because of any action(s) or  
7 inaction(s) by Defendant.

8 More specifically, Defendant denies that he trafficked Plaintiff into this  
9 country, forced Plaintiff to work for him, prevented Plaintiff from leaving his  
10 property, threatened Plaintiff, confiscated his documents, or treated Plaintiff poorly  
11 or inhumanely.

12 Defendant alleges several counterclaims against Plaintiff including  
13 (1) conversion; (2) trespass to chattel/personal property; (3) negligence,  
14 (4) defamation and/or libel, (5) defamation per se and/or libel; (6) intentional  
15 interference with prospective economic advantage, (7) negligent interference with  
16 prospective economic advantage, (8) intentional infliction of emotional distress and  
17 (9) negligent infliction of emotional distress. More specifically, Defendant alleges  
18 that Plaintiff stole several tools from Defendant's ranch, damaged several vehicles,  
19 damaged two trailers, damaged windows and security cameras, damaged phones  
20 provided by Defendant, and made and published defamatory statements to his  
21 romantic partner, and guest at Defendant's property, Lilly.

22 **B. Subject Matter Jurisdiction:**

23 This court has subject matter jurisdiction over this action pursuant to 28  
24 U.S.C. § 1331 because this action alleges violations of federal statutes, including the  
25 TVPA (18 U.S.C. §§ 1581, 1584, 1589, 1590, 1592, 1593A, and 1595) and the  
26  
27  
28

1 FLSA (29 U.S.C. §§ 206, 207). This court has supplemental jurisdiction over the  
 2 remaining claims pursuant to 28 U.S.C. § 1367.

3 **C. Legal Issues:**

4 A brief description of the key legal issues, including any unusual substantive,  
 5 procedural or evidentiary issues.

6 Plaintiff's Statement

7 Plaintiff contends that the key legal issues in the case are as follows:

8 a) Human Trafficking. Whether Defendant is liable under the TVPA,  
 9 i.e. 18 U.S.C. §§ 1581, 1583, 1584, 1589, 1590, 1592, 1593A, and  
 10 1595, for the following conduct:

- 11 i. Trafficking with respect to peonage, slavery, involuntary
- 12 servitude or forced labor;
- 13 ii. Forced labor;
- 14 iii. Involuntary servitude;
- 15 iv. Unlawful conduct with respect to documents;
- 16 v. Benefitting from TVPA violations
- 17 vi. Peonage
- 18 vii. Enticement into slavery
- 19 and for committing human trafficking under California Civil Code
- 20 § 52.5;

21 b) The FLSA. Whether Defendant is liable under:

- 22 i. FLSA, 29 U.S.C. §§ 206(a)(1) and §206(f), for failing to pay
- 23 Plaintiff minimum wage and by forcing him to work seven
- 24 days a week, approximately sixteen hours per day, without
- 25 minimum required breaks.
- 26 ii. FLSA, 29 U.S.C. § 207(a), for failing to pay Plaintiff his due
- 27 overtime wages.

28 c) California Labor Code. Whether Defendant is liable under:

- i. Cal. Lab. Code §§ 1182.11, 1182.12, 1194(A), 1194.2, 1197, and IWC Wage Order No. 14, for failing to pay Plaintiff minimum wage and by forcing him to work seven days a week, approximately sixteen hours per day.
  - ii. Cal. Lab. Code §§ 1194, 1198, and IWC Wage Order No. 14 for failing to Plaintiff his due overtime wages.
  - iii. Cal. Lab. Code §§ 226.7, 512, and IWC Wage Order No. 14 for failing to provide Plaintiff the meal and rest periods required by law.
  - iv. Cal. Lab. Code §§ 201–203 for failing to pay Plaintiff after discharge.
  - v. Cal. Lab. Code §§ 970, 972 for soliciting the employee through misrepresentation.
- d) Unfair Competition. Whether Defendant is liable under Cal. Bus. & Prof. Code § 17200 for unfair competition for his fraudulent and illegal conduct.
- e) Breach of Contract. Whether Defendant is liable for breaching his contractual obligations to Plaintiff.
- f) Fraud and Negligent Misrepresentation. Whether Defendant is liable for fraud and negligent misrepresentation by misrepresenting, among other things, the nature of the work required and the amount of money Plaintiff would be paid.
- g) Unjust Enrichment. Whether Defendant is liable for unjust enrichment by retaining the fruits of Plaintiff’s labor without compensating him for it.
- h) Intentional Infliction of Emotional Distress. Whether Defendant is liable for intentional infliction of emotional distress by his extreme and outrageous conduct toward Plaintiff.

- 1 i) Negligent Infliction of Emotional Distress. Whether Defendant is  
2 liable for negligent infliction of emotional distress by causing serious  
3 emotional harm to Plaintiff through his conduct toward plaintiff.  
4 j) Negligence. Whether Defendant is liable for negligence by violating  
5 the duties imposed on him by, among other things, the nature of his  
6 special relationship with Plaintiff as his employer.  
7 k) Negligence per se. Whether Defendant is liable for negligence per se  
8 by violating federal and state anti-trafficking and labor laws.  
9 l) Quantum Meruit. Whether Defendant is liable under quantum meruit  
10 for the value of services provided to him by Plaintiff  
11 m) False Imprisonment. Whether Defendant is liable for confining  
12 Plaintiff to the ranch through fear, intimidation, threats of  
13 deportation, debt bondage, and intimations of connections with law  
14 enforcement.

15 Defendant's Statement

- 16 a) Whether any of the causes of action should be dismissed for failure  
17 to state a claim upon which relief can be granted;  
18 b) Whether Plaintiff is barred from bringing TVPA claims because he  
19 knowingly and willingly arranged for his own illegal transportation  
20 into the United States;  
21 c) Whether Plaintiff was entitled to any meal periods under California  
22 Labor Code section 512 and/or IWC Wage Order No. 14;  
23 d) Whether Plaintiff was entitled to any rest periods under IWC Wage  
24 Order No. 14;  
25 e) Whether Plaintiff and Defendant had an agreement regarding the  
26 amount of money he was to be paid for any work performed by  
27 Plaintiff;  
28 f) Whether Plaintiff was free to leave Defendant's property;

- 1 g) Whether Defendant owed any duty of care to Plaintiff;
- 2 h) Whether Plaintiff converted Defendant's personal property
- 3 i) Whether Plaintiff is liable under the tort of Trespass to Chattel for his
- 4 unauthorized possession of Defendant's personal property;
- 5 j) Whether Plaintiff is liable of negligence by violating duties imposed
- 6 on him because he lived on Defendant's property;
- 7 k) Whether Plaintiff is liable for defamation and/or libel for his
- 8 publication of defamatory statements to a third-party;
- 9 l) Whether Plaintiff's defamatory statements to Lilly are inherently
- 10 damaging to Defendant's reputation;
- 11 m) Whether Plaintiff is liable for intentional interference with
- 12 prospective economic advantage because his defamatory statements
- 13 constitute intentional conduct interfered or threatens to interfere with
- 14 Defendant's prospective economic relationships with its customers;
- 15 n) Whether Plaintiff is liable for negligent interference with prospective
- 16 economic advantage because his defamatory statements constitute
- 17 conduct that negligently interfered or threatens to interfere with
- 18 Defendant's prospective economic relationships with its customers;
- 19 o) Whether Plaintiff is liable for intentional infliction of emotional
- 20 distress by his extreme and outrageous conduct toward Defendant;
- 21 and
- 22 p) Whether Plaintiff is liable for negligent infliction of emotional
- 23 distress by causing serious emotional harm to Defendant through his
- 24 conduct toward Defendant.
- 25
- 26
- 27
- 28

1 **D. Parties, Evidence, etc.:**

2 The parties include Arturo Santos Garcia and Roberto Vargas Hernandez. The  
3 parties agree that the last date to file a motion to amend or add parties is February 6,  
4 2024.

5 Plaintiff's Statement:

6 Percipient witnesses include the parties, other former ranch employees of  
7 Defendant, family members of Defendant who are familiar with the ranch  
8 operations, contacts and agents of Defendant who arranged Plaintiff's transportation  
9 to the United States, individuals who visited and observed the working conditions at  
10 the ranch, and potential law enforcement witnesses, and may also include others  
11 with personal knowledge of the events described in the First Amended Complaint.  
12 Plaintiff expects to identify more percipient witnesses during discovery.

13 Key documents include all wage and hour records kept by Defendant; any and  
14 all documents relating to the amount actually paid to Plaintiff, the amount worked,  
15 the purported debt owed by Plaintiff, and any expenses paid by Defendant;  
16 documents relating to Defendant's arrangement of Plaintiff's travel to the United  
17 States; cell phone records; Documents identifying the total amount of revenue  
18 earned by Defendant from cockfighting involving roosters cared for by Plaintiff;  
19 Documents identifying any other revenue earned by Defendant from ranch  
20 operations; insurance policies maintained by Defendant; any settlement agreements  
21 entered into by Defendant for similar past conduct; personal text messages, emails,  
22 and all other forms of communication concerning Plaintiff's labor, labor conditions,  
23 and payment; security camera footage from the ranch; receipts for repairs made to  
24 property or tools replaced; and documents relating to any criminal history of  
25 Defendant. Plaintiff expects to identify more key documents during discovery.

26 Defendant's Statement:

27 Defendant believes that additional parties to its state law claims include  
28 Plaintiff's romantic partner, Lilly. Lilly's full and legal name is unknown to



1 Defendant at this time. Pursuant to California law, Defendant included Doe  
2 Defendants to his counterclaims against Plaintiff and will amend his counterclaim  
3 when he discovers the identity of new parties. Defendant anticipates that percipient  
4 witnesses include, the parties; contacts and agents of Plaintiff who arranged  
5 Plaintiff's transportation to the United States; individuals who visited and observed  
6 the living and working conditions at the ranch; individuals who visited Plaintiff at  
7 the ranch; individuals who socialized with Plaintiff on or outside the ranch;  
8 individuals who provided Plaintiff with food, toiletries, and other items upon  
9 Plaintiff's request; Plaintiff's current or former romantic partner Lilly; and any other  
10 individuals with personal knowledge of the events described in the First Amended  
11 Complaint or Defendant's Counterclaim. Plaintiff expects to identify more  
12 percipient witnesses during discovery.

13 This matter is in the early stage of litigation, and as such the full extent and  
14 scope of evidence is unknown at this time. Defendant anticipates that the following  
15 documents and information are relevant to this action: (1) documents evidencing  
16 any money Plaintiff received for any work he performed for Defendant;  
17 (2) documents evidencing the extent of damage Plaintiff caused to Defendant's  
18 property; (3) documents evidencing the cost to repair or replace Defendant's  
19 property due to Plaintiff's damage; and (4) communications, including text  
20 messages, emails, or other electronic records between Plaintiff and any witnesses.

21 **E. Damages:**

22 The realistic range of provable damages includes compensation owed to  
23 Plaintiff for hours worked, based on California minimum wage, including overtime,  
24 penalties, and interest. The causes of action also provide for emotional damages,  
25 punitive damages, and attorney's fees, all of which are reasonably calculable.

26 Defendant believes it is premature to submit a damages estimate at this  
27 juncture as Defendant has not yet commenced discovery. Damages include the cost  
28 to repair or replace Defendant's property that Plaintiff damaged, and additional

1 damages Defendant is entitled to under his state law causes of action including, but  
2 not limited to, emotional damages and punitive damages.

3 **F. Insurance:**

4 Plaintiff has no insurance coverage relating to any claim or counterclaim in  
5 this litigation. Defendant has no insurance coverage relating to any claim or  
6 counterclaim in this litigation.

7 **G. Motions:**

8 On July 6, 2023, Defendant filed a Motion to Strike the First Amended  
9 Complaint (ECF No. 12). On the same day, Defendant also filed nine Counterclaims  
10 against Plaintiff. Plaintiff intends to file an anti-SLAPP Motion and a Motion to  
11 Dismiss those Counterclaims by July 27, 2023. Pursuant to the Court's order  
12 granting the parties joint stipulation to extend time (ECF No. 21), Defendant will  
13 file an Amended Counterclaim by August 3, 2023. Plaintiff will respond to the  
14 Amended Counterclaim within 21 days of service of the Amended Counterclaim.  
15 Plaintiff will file its Opposition to the Motion to Strike will be filed by August 7,  
16 2023, three weeks in advance of the hearing on the Motion to Strike set for August  
17 28, 2023. Defendant anticipates filing a Reply Brief in Support of Defendant's  
18 Motion to Strike by August 21, 2023, seven days in advance of the hearing on the  
19 Motion to Strike set for August 28, 2023. Defendant also anticipates filing an  
20 Opposition to Plaintiff's anti-SLAPP Motion and a Motion to Dismiss Defendant's  
21 counterclaims.

22 **H. Dispositive Motions:**

23 Plaintiff anticipates filing a Motion for Summary Judgment after the close of  
24 discovery.

25 Defendant anticipates filing dispositive motions including, but not limited to, a  
26 Motion for Summary Judgment or Partial Summary Judgment.

**I. Manual for Complex Litigation:**

The parties agree that this is not a complex litigation and that the Manual for Complex Litigation is not applicable in this case.

**J. Status of Discovery:**

Defendant served his first sets of Interrogatories, Requests for Admission, and Requests for Production of Documents on July 13, 2023. Plaintiff served his first sets of Interrogatories and Requests for Production of Documents on July 21, 2023. To date, neither party has responded to these discovery requests.

**K. Discovery Plan:**

1. Scope of Discovery

Subject to the Court's order on Plaintiff's anticipated Motion to Dismiss counterclaims, the parties will conduct discovery on claims contained in the First Amended Complaint, Defendant's Counterclaim, and any amended complaints, and on any denials or defenses in the answers to those pleadings. Because of the international nature of the trafficking claims in this case, the parties will need to take involved third-party international discovery.

2. Discovery Dates

The parties have agreed to a proposed schedule of dates for discovery, attached as Exhibit A. The exhibit is based on a trial date approximately 15 months after submitting this joint report.

The parties will exchange initial disclosures under Fed. R. Civ. P. 26(a) by July 28, 2023. Plaintiff and Defendant also anticipate serving requests for production, interrogatories, requests for inspection, requests for admission, and additional requests for production before the discovery cut-off date (see Exhibit A). Plaintiff and Defendant anticipate conducting depositions of the named parties and witnesses likely to be identified during discovery.

1           3. Discovery Limitations

2           The parties agree to be bound by the limits on discovery imposed by the  
3 Federal Rules of Civil Procedure and the Local Rules of this Court, with two  
4 modifications below:

5           (a) If a deponent requires an interpreter at the deposition, the deposition  
6 shall be allowed to last up to 2 days of 7 hours each.

7           (b) Depositions of expert witnesses do not count against the ten-deposition  
8 limit in Federal Rule of Civil Procedure 30(2)(A)(i).

9           4. Electronically Stored Information (ESI)

10          The parties have discussed all items in the ESI Conference checklist attached  
11 hereto as Exhibit B and have generally agreed on all items in the checklist except:

12           (a) *Plaintiff's position:* ESI created or received from January 1, 2010, to the  
13 present, should be preserved. Information regarding Defendant's criminal history  
14 dates back to at least 2010 and is relevant to several claims in the case including  
15 Defendant's defamation counterclaims.

16           *Defendant's position:* Defendant does not believe that ESI as from  
17 January 1, 2010 through March 31, 2019 is relevant to any claim or counterclaim in  
18 this action, and thus, Defendant does not believe ESI from January 1, 2010 through  
19 March 31, 2019 should be preserved.

20           (b) Discovery of ESI will be prioritized from the following systems from  
21 both Plaintiff and Defendant: email accounts, cell phones, computers.

22           *Plaintiff's position:* ESI will be produced in its native format, with all  
23 metadata preserved, including the following fields: sender, recipient, cc and bcc  
24 fields, date, time, folder, filepath, creator, date created, date edited, last saved, etc.  
25 The parties will meet and confer to discuss whether production of certain small  
26 volumes of files, such as a limited number of text messages, is to be made in non-  
27 native format.  
28

1           *Defendant's position:* Defendant believes that there will be minimal  
2 ESI, if any, in this action. Additionally, given the simplicity of any electronic  
3 documents, Defendant does not believe that ESI must be produced in native format.  
4 Specifically, Defendant proposes producing screenshots of any text messages that  
5 will be produced in discovery.

6           (c) Each side will bear its own costs of producing and storing its ESI.

7           (d) The approximate volume of ESI is not yet known. Once the parties  
8 ascertain the volume of their own ESI, they will meet and confer on the most  
9 efficient way to produce the ESI in a useful and reviewable format, including  
10 whether the use of search terms is appropriate and the number of search terms to  
11 use.

12           *Plaintiff's position:* For volumes that are large enough to render  
13 infeasible a complete review of each and every document in a given system, the  
14 parties agree to use search terms to identify responsive ESI. If the producing party  
15 elects to use search terms to locate potentially responsive ESI, it shall disclose the  
16 search terms used to the requesting party. A requesting party may request no more  
17 than 20 additional terms to be used in connection with the electronic search.

18           *Defendant's position:* Defendant believes that there is minimal, if any,  
19 ESI. Accordingly, Defendant proposes meeting and conferring over search terms  
20 and the number of search terms during discovery if the volume of any ESI is large  
21 enough render infeasible a complete review of each and every document in a given  
22 system

23           (e) Producing parties will review all potentially responsive documents to  
24 ensure production is neither underinclusive nor overbroad.

25           (f) Phased discovery is not necessary in this case.

26           (g) If a party asserts a claim of privilege, it must list the document and the  
27 privilege asserted, along with a brief description of what the document contains, in a  
28 privilege log that will be produced to the other side. The parties' communications

1 with counsel taking place on any date after the Complaint was filed on May 30,  
2 2023 do not need to be produced nor documented in the privilege log.

3 (h) The parties agree to enter a FRE 502(d) Stipulation and Order  
4 addressing inadvertent or agreed production.

5 (i) The parties will agree on and submit a joint Electronic Discovery Order.

6 5. Protective Order

7 The parties will agree on and submit a joint protective order.

8 **L. Discovery Cut-off:**

9 The proposed discovery cutoff date is August 6, 2024.

10 **M. Expert Discovery:**

11 Plaintiff expects to call two or more experts.

12 Defendant expects to call rebuttal experts to Plaintiff's experts and at least one  
13 of its own experts.

14 **N. Settlement Conference / Alternative Dispute Resolution ("ADR"):**

15 The parties agree to pursue a settlement conference with a Court Mediation  
16 Panel pursuant to Local Rule 16–15.4, Option 2. The parties agree to engage in  
17 these talks after some discovery has taken place.

18 **O. Trial Estimate:**

19 The parties estimate a jury trial of five court days. Plaintiff anticipates calling  
20 three to six witnesses.

21 Defendant anticipates calling approximately six to ten witnesses at this time.

22 **P. Trial Counsel:**

23 Lead trial counsel for Plaintiff will be Wallace Wu of Arnold Porter Kaye  
24 Scholer LLP.

25 Lead trial counsel for Defendant will be Alejandro G. Ruiz of Payne & Fears  
26 LLP.

**Q. Independent Expert or Master:**

The parties agree that neither a master nor an independent scientific expert is needed for this case.

**R. Schedule Worksheet:**

The parties attach a proposed Schedule of Pretrial and Trial Dates as Exhibit A to this report.

**S. Other issues:**

The parties are native Spanish-language speakers, and may require interpretive services. The parties may also call non-English speaking witnesses that require an interpreter. In such instances, the parties agree to the use of a court-registered interpreter.

DATED: July 27, 2023

Respectfully submitted,

ARNOLD & PORTER KAYE SCHOLER LLP

By: /s/ Wallace Wu

Wallace Wu

Oscar Ramallo

Stephanie Kang

Skylar Williams

*Attorneys for Plaintiff and Counter-Defendant ARTURO SANTOS GARCIA*

DATED: July 27, 2023

PAYNE & FEARS LLP

By: /s/ Jessica A. Vidal

Alejandro G. Ruiz

Jessica A. Vidal

*Attorneys for Defendant and Counter-Claimant ROBERTO VARGAS HERNANDEZ*

1 I hereby attest that all other signatories listed, and on whose behalf the filing is  
2 submitted, concur in the filing's content and have authorized the filing.

3  
4  
5 DATED: July 27, 2023

Respectfully submitted,

ARNOLD & PORTER KAYE SCHOLER LLP

6 By: /s/ Wallace Wu

7 Wallace Wu

8 Oscar Ramallo

9 Stephanie Kang

10 Skylar Williams

11 *Attorneys for Plaintiff and Counter-*  
12 *Defendant ARTURO SANTOS GARCIA*